BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 90-114-C - ORDER NO. 91-33

JANUARY 9, 1991

IN RE: Application of One Call Communications,)
Inc. D/B/A Opticom, for a Certificate of) ORDER
Public Convenience and Necessity and) GRANTING
Establishment of Rates and Charges.) CERTIFICATION

On August 16, 1990, One Call Communications, Inc. d/b/a
Opticom (One Call) filed an Application with the Public Service
Commission of South Carolina (the Commission) requesting a
Certificate of Public Convenience and Necessity authorizing it to
operate as an intrastate interLATA interexchange
telecommunications resale carrier and intrastate interLATA
operator services provider, also known as alternative operator
services (AOS). The Application was filed pursuant to S.C. Code
Ann., §§58-9-280 and 58-9-520 (1976), as amended.

On August 30, 1990, the Commission's Executive Director instructed the Company to cause to be published a prepared Notice of Filing and Hearing once a week for two (2) consecutive weeks in newspapers of general circulation in affected areas. The Notice of Filing and Hearing indicated the nature of One Call's Application and advised all interested parties desiring to participate in the scheduled proceeding of the manner and time in which to file the appropriate pleadings. One Call furnished

Affidavits demonstrating that the Notice of Filing and Hearing had been duly published in accordance with the instructions of the Executive Director.

Thereafter, a Petition to Intervene was filed by Southern
Bell Telephone and Telegraph Company (Southern Bell). Southern
Bell withdrew its intervention after One Call entered into a
stipulation that (1) any granting of authority would be for
interLATA service only; (2) if any intraLATA calls are
inadvertently completed by the carrier, the carrier should
reimburse the LEC pursuant to the Commission's Order in Docket No.
86-187-C; (3) all operator services should be only for interLATA
calls and any "0+" or "0-" intraLATA calls should be handed off to
the LEC; and (4) nothing in (1), (2), or (3) above shall prohibit
One Call from offering any other services authorized for resale of
tariffs of facility based carriers approved by the Commission.

A public hearing relative to the matters asserted in One Call's Application was commenced on December 18, 1990, in the Commission's Hearing Room, the Honorable Marjorie Amos-Frazier presiding. Frank R. Ellerbe, III, Esquire, represented One Call; and Sarena D. Burch, Staff Counsel, represented the Commission Staff.

One Call presented Mr. Joseph A. Pence, Executive Vice President of One Call, to testify in support of its Application.

Based on the information contained in One Call's Application, the testimony and exhibits of the witness, and the evidence of the entire record before the Commission, the Commission makes the

following findings of fact and conclusions of law:

- 1. That One Call is a non-facilities based reseller of telecommunications services.
- 2. That One Call is a foreign corporation registered to do business in South Carolina.
- 3. That One Call has the financial resources to provide adequate telecommunications services to consumers in South Carolina.
- 4. That One Call has entered into agreements with interexchange carriers which have been certificated by the Commission to provide the telecommunications services for which authority is herein sought.
- 5. That One Call is capable of providing the telecommunications services as described in its Application and in the testimony of witness Pence.
- 6. That One Call should be required to provide "tent cards" to hotels and motels for placement next to guest telephones identifying it as the provider of operator assistance service for intrastate interLATA long distance calls; and, that One Call's operators should be required to "brand" all calls, identifying One Call as the carrier.
- 7. That One Call should be required to furnish pay telephone owners with a sticker or information piece to be affixed to telephones by which its service may be accessed identifying the operator service as being provided by One Call and indicating the rates charged for its service.

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- 8. That One Call should be required to post its 0+ or 0- operator assistance charges or provide some means whereby users of One Call's services may obtain rate information upon request.
- 9. That the appropriate rate structure for One Call should include a maximum rate level for each tariff charge; and that for intrastate interLATA operator-assisted and calling card calls, One Call should be required to charge operator or calling card surcharges no higher than the intrastate charges then currently approved for AT&T Communications, and that for the usage portion of either type call, One Call should be required to charge intrastate rates no higher than the intrastate rates charged by AT&T Communications at the time such call is completed.
- 10. That One Call should be allowed to incorporate in its tariff a charge for operator-assisted and calling card calls not to exceed \$1.00 for calls originated at hotels and motels and customer-owned pay telephones if such charge is requested by the customer. If such charge is applied, it should be paid in its entirety to the customer of One Call.
- 11. That a rate structure incorporating a maximum rate level with flexibility for downward adjustment has been previously adopted by this Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C, on August 2, 1984.
- 12. That there is a need for resellers to timely adjust rates and charges to reflect the forces of economic competition; however, rate and tariff adjustments below the approved maximum

level should not be accomplished without notice to the Commission and to the public. Therefore, to further the objectives expressed in Finding No. 9 herein, One Call should be required to incorporate provisions for filing of proposed rate changes and publication of notice of such changes two (2) weeks prior to the effective date of such changes, and affidavits of publication should be required to be filed with the Commission.

- 13. That any proposed increase in maximum rate levels reflected in the tariffs of One Call which would be applicable to the general body of subscribers would constitute a general ratemaking proceeding which should be treated in accordance with the notice and hearing provisions of <u>S.C. Code Ann.,§58-9-540</u> (Cum. Supp. 1990).
- 14. That One Call is subject to any applicable access charges pursuant to Commission Order No. 86-584, in which the Commission determined that the reseller should be treated similarly to facility-based carriers for access charge purposes.
- 15. That One Call is fit, willing and able to provide intrastate interLATA resold telecommunication services and related operator services, and that it is in the interest of the public to grant One Call a Certificate of Public Convenience and Necessity subject to the findings herein, and, more specifically, the finding that One Call should charge intrastate rates no higher than the intrastate rates approved for AT&T Communications for intrastate interLATA operator—assisted and calling card calls at the time any of such calls is made.

- 16. That One Call should be authorized to provide intrastate interLATA service through the resale of Wide Area Telecommunications Service (WATS), Message Telecommunication Service (MTS), Foreign Exchange Service (FX) and Private Line Service, or any other service authorized for resale and reflected as such in tariffs of facilities-based carriers certificated by this Commission.
- 17. That One Call should be required to file on a yearly basis surveillance reports with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports should be as per Attachment A hereof.
- 18. That One Call should be required to block or switch to the local exchange carrier (LEC) all intraLATA calls which are attempted over its network; and, if One Call accidentally or incidentally completes any intraLATA calls, it should be required to compensate the local exchange carrier consistent with the provisions of our Order No. 86-793 issued in Docket No. 86-187-C.
- 19. That One Call should be allowed to bill only for intrastate calls completed on or after the date of this Order.
- 20. That One Call should be required to file tariffs reflective of the findings and provisions herein within thirty (30) days of the date of this Order.

IT IS THEREFORE ORDERED:

That the Application of One Call Communications, Inc.
 d/b/a Opticom for a Certificate of Public Convenience and
 Necessity be, and hereby is, approved.

- 2. That One Call shall provide to pay telephone owners a sticker or information piece to be affixed to pay telephones by which its service may be accessed identifying the operator service as being provided by One Call and indicating rates charged for its service, and that One Call shall implement Finding No. 6 herein with respect to telephones in hotels and motels.
- 3. That One Call file tariffs reflecting its maximum rates in accordance with Finding No. 9 herein.
- 4. That One Call's rates and charges reflect the limitation contained in Finding No. 10 herein.
- 5. That One Call file tariffs and surveillance reports in accordance with the Findings herein within thirty (30) days of the date hereof.
- 6. That One Call shall block or switch to the local exchange carrier (LEC) intraLATA calls, and compensate local exchange carriers (LEC's) consistent with the provisions of Commission Order No. 86-793, in accordance with Finding No. 18 herein.
- 7. That One Call is hereby authorized to provide intrastate interLATA service through the resale of Wide Area Telecommunications Service (WATS), Message Telecommunication Service (MTS), Foreign Exchange Service (FX) and Private Line Service, or any other service authorized for resale and reflected as such in tariffs of facilities-based carriers certificated by this Commission.
 - 8. That One Call may commence operations beginning on the

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date of this Order.

9. That One Call shall only bill for intrastate calls completed on or after the date hereof.

BY ORDER OF THE COMMISSION:

VICE Chairman

ATTEST:

Executive Director

(SEAL)

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS

FOR INTEREXCHANGE COMPANIES AND AOS'S

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS* FOR 12 MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING
*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION, MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
(4) PARENT'S CAPITAL STRUCTURE* AT DECEMBER 31 OR FISCAL YEAR ENDING
*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING DECEMBER 31 OR FISCAL YEAR ENDING
(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3 ABOVE).